

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:)	Chapter 11
)	
AVADIM HEALTH, INC., et al., ¹)	Case No. 21-10883 (CTG)
)	
Debtors.)	(Jointly Administered)
)	

**SECOND AMENDED² NOTICE OF AGENDA FOR HEARING SCHEDULED FOR
AUGUST 2, 2021 AT 1:00 P.M.³ (PREVAILING EASTERN TIME), BEFORE THE
HONORABLE CRAIG T. GOLDBLATT BANKRUPTCY JUDGE, AT THE UNITED
STATES BANKRUPTCY COURT FOR THE DISTRICT OF DELAWARE, LOCATED
AT 824 NORTH MARKET STREET, 3rd FLOOR, COURTROOM NO. 7,
WILMINGTON, DELAWARE 19801**

**PLEASE TAKE NOTICE: This hearing will be held via Zoom only.
Any party wishing to appear must register no later than July 29, 2021 at 4:00 p.m. (ET)
at the link below:**

<https://debuscourts.zoomgov.com/meeting/register/vJltceihrij8sE1GLB-9OJ7uKmp6JPYyw56o>

RESOLVED MATTER:

1. Debtors' Motion Seeking Entry of Interim and Final Orders (I) Authorizing the Debtors to Obtain Postpetition Secured Financing Pursuant to Section 364 of the Bankruptcy Code; (II) Authorizing the Debtors to Use Cash Collateral; (III) Granting Liens and Superpriority Administrative Expense Claims; (IV) Granting Adequate Protection to the Prepetition Lenders; (V) Modifying the Automatic Stay; (VI) Scheduling a Final Hearing, and (VII) Granting Related Relief [Filed: 06/01/21] ([Docket No. 15](#)).

Related Documents:

- A. Notice of Hearing on Debtors' Motion for Entry of Interim and Final Orders (I) Authorizing Debtors to (A) Obtain Postpetition Senior Secured Financing and (B)

¹ The Debtors, along with the last four (4) digits of each Debtor's federal tax identification number are: Avadim Health, Inc. (8411); Avadim Health IP, Inc. (7594); Bionome Properties Corp. (6483); Quality Assurance Associates, Inc. (5613); and Relion Manufacturing, Inc. (0430). The Debtors' business address is 81 Thompson Street, Asheville, NC 28803.

² Amended items for this agenda are indicated in **bold** or underlined.

³ The Court has rescheduled the hearing to August 2, 2021 at 1:00 p.m. (prevailing Eastern time).

Use Cash Collateral, (II) Granting Adequate Protection to Prepetition Secured Parties, (III) Granting Liens and Superpriority Claims, (IV) Modifying the Automatic Stay, (V) Scheduling a Final Hearing, and (VI) Granting Related Relief [Filed 06/01/21] ([Docket No. 22](#)).

- B. Notice of Filing of DIP Credit Agreement [Filed 06/01/21] ([Docket No. 26](#)).
- C. Second Notice of Filing DIP Credit Agreement [Filed 06/02/21] ([Docket No. 30](#)).
- D. [Signed] Interim Order (I) Authorizing Debtors to (A) Obtain Postpetition Senior Secured Financing and (B) Use Cash Collateral, (II) Granting Adequate Protection to Prepetition Secured Parties, (III) Granting Liens and Super priority Claims, (IV) Modifying the Automatic Stay, (V) Scheduling a Final Hearing, and (VI) Granting Related Relief [Filed 06/02/21] ([Docket No. 51](#)).
- E. Notice of Entry of Interim Order and Final Hearing Regarding Debtors Motion Seeking Entry of Interim and Final Orders (I) Authorizing the Debtors to Obtain Postpetition Secured Financing Pursuant to Section 364 of the Bankruptcy Code; (II) Authorizing the Debtors to Use Cash Collateral; (III) Granting Liens and Superpriority Administrative Expense Claims; (IV) Granting Adequate Protection to the Prepetition Lenders; (V) Modifying the Automatic Stay; (VI) Scheduling a Final Hearing, and (VII) Granting Related Relief [Filed 06/03/21] ([Docket No. 61](#)).
- F. Certification of Counsel Regarding Debtors' Motion for Entry of Interim Order and Final Hearing Regarding Debtors Motion Seeking Entry of Interim and Final Orders (I) Authorizing the Debtors to Obtain Postpetition Secured Financing Pursuant to Section 364 of the Bankruptcy Code; (II) Authorizing the Debtors to Use Cash Collateral; (III) Granting Liens and Superpriority Administrative Expense Claims; (IV) Granting Adequate Protection to the Prepetition Lenders; (V) Modifying the Automatic Stay; (VI) Scheduling a Final Hearing, and (VII) Granting Related Relief [Filed 07/23/21] ([Docket No. 208](#)).
- G. [Signed] Final Order (I) Authorizing the Debtors to Obtain Postpetition Senior Secured Financing and (B) Use Cash Collateral, (II) Granting Adequate Protection to Prepetition Secured Parties, (III) Granting Liens and Superpriority Claims, (IV) Modifying the Automatic Stay, and (V) Granting Related Relief [Filed 07/26/21] ([Docket No. 209](#)).

Response Deadline: June 23, 2021. The response deadline for the Committee was extended to July 21, 2021 at 5:00 p.m. ET.

Status: The Court has entered the order on this matter and no hearing is required.

MATTER GOING FORWARD:

- 2. Motion for Entry of an Order (A) Authorizing and Approving the Debtors' Entry Into the Stalking Horse APA with the Stalking Horse Bidder, Subject to the Bidding Procedures and the Sale Hearing, (B) Approving Bidding Procedures, (C) Scheduling the Bid

Deadlines and the Auction, (D) Scheduling a Hearing to Consider the Transaction, (E) Approving the Form and Manner of Notice Thereof, (F) Approving Contract Procedures, and (G) Granting Related Relief [Filed: June 1, 2021] ([Docket No. 16](#)).

Related Documents:

- A. [Signed] Order (A) Approving Bidding Procedures for the Sale of all or Substantially all of the Debtor's Assets, (B) Authorizing and Approving Entry into the Stalking Horse APA, (C) Approving the Designation of the Stalking Horse Bidder, (D) Scheduling a Sale Hearing and Objection deadlines with respect to the Sale, (E) Scheduling an Auction, (F) Approving the Form and Manner of Notice of the Sale Hearing and Auction, (G) Approving Contract Assumption and Assignment Procedures, and (H) Granting Related Relief [Filed 06/23/21] ([Docket No. 115](#)).
- B. Notice of Hearing Notice of Sale, Bidding Procedures, Auction, and Sale Hearing [Filed 06/28/21] ([Docket No. 148](#)).
- C. Notice of Potential Assumption and Assignment of Certain Executory Contracts and Unexpired Leases and Proposed Cure Amounts [Filed 06/28/21] ([Docket No. 149](#)).
- D. Supplemental Notice of Potential Assumption and Assignment of Certain Executory Contracts and Unexpired Leases and Proposed Cure Amounts [Filed 07/19/21] ([Docket No. 194](#)).
- E. Second Supplemental Notice of Potential Assumption and Assignment of Certain Executory Contracts and Unexpired Leases and Proposed Cure Amounts [Filed 07/26/21] ([Docket No. 210](#)).
- F. **Notice of Cancellation of Auction and Designation of Successful Bid and Successful Bidder** [Filed 07/28/21] ([Docket No. 218](#)).
- G. **Notice of Proposed Sale Order** [Filed 07/28/21] ([Docket No. 219](#)).

Response Deadline: July 9, 2021 at 5:00 p.m. (ET). The response deadline was extended to July 23, 2021 for HE, Inc. and to July 28, 2021 for Black Mountain Center for Research and Technology, LLC.

Response Received:

- A. Informal comments were received from HE, Inc. and Black Mountain Center for Research and Technology, LLC. Informal inquiries were also received from several contract counterparties in connection with cure amounts.
- B. Objection of Cigna to Notice of Potential Assumption and Assignment of Certain Executory Contracts and Unexpired Leases and Proposed Cure Amount [Filed 07/02/21] ([Docket No. 164](#)).

- C. Objection of Life Insurance Company of North America to Notice of Potential Assumption and Assignment of Certain Executory Contracts and Unexpired Leases and Proposed Cure Amounts [Filed 07/02/21] ([Docket No. 165](#)).
- D. CIT Bank N.A.s Limited Objection to Debtors' Notice of Potential Assumption and Assignment of Certain Executory Contracts and Unexpired Leases and Proposed Cure Amounts [Filed 07/06/21] ([Docket No. 166](#)).
- E. ENGS Commercial Finance Co.'s Limited Objection to Debtors' Notice of Potential Assumption and Assignment of Certain Executory Contracts and Unexpired Leases and Proposed Cure Amounts [Filed 07/09/21] ([Docket No. 176](#)).

Status: This matter is going forward. **The Debtors intend to present testimony from the following at the hearing: (a) Keith Daniels, the Debtors' Chief Restructuring Officer and (b) J. Scott Victor, Managing Director of SSG Advisors, LLC, the Debtors' investment banker.**

Dated: July 29, 2021

PACHULSKI STANG ZIEHL & JONES LLP

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